

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 1603 - HB 1347**

March 6, 2021

**SUMMARY OF BILL:** Requires the Joint Subcommittee on Judiciary and Government (Subcommittee) to review any agency, authority, board, commission, department, office, quasi-governmental entity, or independent entity of state government that is created by the use of the Governor's emergency powers within 60 days of such entity's creation for the sole purpose of making a recommendation to the General Assembly on whether to continue or discontinue the entity and its function. Requires the Subcommittee to make a recommendation within five days of the completion of its review.

Requires all public purchases and contracts for goods and services entered into by an executive agency be subject to the statutory requirements governing other state procurements.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – For the Joint Subcommittee on Judiciary and Government to hold a meeting not in conjunction with a regularly scheduled meeting or while the General Assembly is in session, there will be an increase in state expenditures estimated to be \$4,900 for each meeting.**

Assumptions:

- In addition to its expected schedule of business during each annual legislative session of the General Assembly, the Subcommittee meets at various times each year outside of legislative session to hold hearings regarding the affairs of the agencies under its jurisdiction. The number and timing of such meetings varies from year to year depending on numerous circumstantial factors.
- It is not possible to know if or when the Governor may create a new executive branch entity under the use of emergency powers or how many such entities they may create.
- For the Subcommittee to hold a meeting not in conjunction with a regularly scheduled meeting or while the General Assembly is in session, there will be an increase in state expenditures.
- Each member of the Subcommittee will be paid a per diem and reimbursed for travel expenses.
- The current rate of per diem for a legislative member is \$295; the standard mileage reimbursement is \$110 (\$0.47 per mile x 234 mile average). Therefore, the total expenditures for each member of the Subcommittee per review meeting is \$405 (\$295 x \$110).

- Currently there are 12 members that serve on the Subcommittee. The precise makeup of the Subcommittee is subject to change every two years, but for the purposes of this analysis it is assumed to remain constant. It is also assumed the Subcommittee could complete the review within one meeting.
- The total increase in state expenditures is estimated to be \$4,860 (12 members x \$405) per meeting of the Subcommittee in any fiscal year in which such a meeting is required.
- Based on information provided by the Department of General Services, the proposed legislation will not significantly affect the Department's policies or procedures.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive, flowing style.

Bojan Savic, Interim Executive Director

/jj